

MEETING OF THE GOVERNING BOARD
OF THE CHICAGO DEVELOPMENT FUND
NEW MARKETS TAX CREDITS PROGRAM

City Hall, Room 1000
121 North LaSalle Street
Chicago, Illinois

Friday, October 23, 2009
9:00 a.m.

Christine Raguso, Chairperson
Stephanie Neely, Treasurer
Margaret Laurino, Alderman
Carrie Austin, Alderman
Eugene Munin, Budget Director
Gene Saffold, CFO
William Eager
Rafael Leon
Mitchell Holzrichter
Tony Smith
Jolene Saul
Scott Fehlan
Lori Lypson

Reported by Shari L. Szerbat

1 CHAIRPERSON RAGUSO: Welcome, everyone, to the
2 fourth quarter 2009 meeting of the Chicago
3 Development Fund.

4 MR. SAFFOLD: Well, thank you.

5 MR. MUNIN: Was that for the record or --

6 CHAIRPERSON RAGUSO: Welcome to the Department
7 of Community Development. I'm not sure if you've
8 been up here before.

9 MR. MUNIN: I have.

10 CHAIRPERSON RAGUSO: So I'd like to take a
11 roll call. Alderman Austin?

12 ALDERMAN AUSTIN: Here.

13 CHAIRPERSON RAGUSO: Alderman Burke?

14 (No response.)

15 Alderman Laurino?

16 (No response.)

17 Anne McNabb? We should probably
18 take her off.

19 (No response.)

20 MR. SMITH: Oh, I'm sorry. That was supposed
21 to be changed.

22 CHAIRPERSON RAGUSO: Yes. Strike that.

23 Gene Saffold?

24 MR. SAFFOLD: Here.

1 CHAIRPERSON RAGUSO: Gene Munin?

2 MR. MUNIN: Here.

3 CHAIRPERSON RAGUSO: Stephanie Neely?

4 (No response.)

5 Commissioner Raguso?

6 Here.

7 We have a quorum. First order of
8 business, approval of the minutes from May 20th,
9 2009, our Governing Board meeting.

10 ALDERMAN AUSTIN: Madam Chair, I move that we
11 approve the minutes from the last Governing Board
12 meeting.

13 MR. SAFFOLD: Second.

14 CHAIRPERSON RAGUSO: All those in favor?

15 (Chorus of ayes.)

16 Minutes are approved.

17 Second order of business, status of
18 approved and special transactions in the Chicago
19 Development Fund pipeline. I would ask S.B.
20 Friedman to walk us through the presentation.

21 ALDERMAN AUSTIN: What's your name again?

22 MR. SMITH: My name is Tony Smith, S.B.
23 Friedman & Company. Thank you.

24 Thanks, everybody, for coming out in

1 terrible weather and budget season and all that.
2 This is one of the great perks of being budget
3 director is to be on the Chicago Development Fund
4 Board.

5 MR. MUNIN: Among many.

6 MR. SAFFOLD: It was a key draw, key
7 attraction.

8 MR. SMITH: This has been a pretty busy period
9 for Chicago Development Fund since the last meeting,
10 so just running through the transactions that CDF
11 has approved on which there's been significant
12 action.

13 So in the May 2009 meeting, this
14 body voted on the Christ King deal, the Gary Comer
15 College Prep deal, the Greater West Town deal. I
16 believe the Imperial Zinc deal was voted on in the
17 prior meeting, but all four of those deals have
18 closed.

19 Imperial Zinc closed in 2009. Christ
20 King and Gary Comer College Prep closed in June
21 2009, and Greater West Town Community Career
22 Training & Economic Development Center closed in
23 September. And then the Homan Square Powerhouse,
24 which was the first transaction that this body

1 approved and CDF financed, just reached completion
2 in August.

3 We actually have a representative
4 from the U.S. Treasury and a couple of our folks
5 and some people from U.S. Bank there right now doing
6 a tour of the facility, and it's absolutely gorgeous.
7 It just won a national rehabilitation -- or,
8 historic rehab award as well.

9 So this was -- just to refresh
10 everybody's memory, it was a \$15 million allocation
11 from Chicago Development Fund, which translates into
12 about four and a half million of gap financing
13 subsidy.

14 The school is operated by the Henry
15 Ford Learning Institute of Dearborn, Michigan.
16 It's a charter high school in North Lawndale. It's
17 on the old Sears campus, the former power plant that
18 used to provide energy to the campus.

19 It was a \$43 million project, as I
20 mentioned, closed -- or, completed in August 2009.
21 They're now operating with two out of the four grade
22 levels in the school, and they're going to add
23 additional grade levels next year and the year
24 after. So at full capacity, which is two years

1 from now, it will serve about 500 students.

2 It's a very green structure. They
3 have a geothermal heating and cooling system in a
4 railroad embankment next to the property. They're
5 anticipating that they're going to get LEED Gold
6 certification after the Green Building Council has
7 reviewed the completed building.

8 And it's an historic rehabilitation
9 according to National Park Service Standards. It's
10 an historic tax credit deal, so not a cheap building
11 to build, and so a lot of tax credit equity from
12 U.S. Bank both in the New Markets arena and historic
13 tax credit arena.

14 There are a couple more shots of the
15 completed building.

16 (Treasurer Neely is now present.)

17 ALDERMAN AUSTIN: Are there -- this is the
18 same building, right?

19 MR. SMITH: Yeah.

20 ALDERMAN AUSTIN: Are there any contaminants
21 in there? Were there any tanks or anything?

22 MR. SMITH: There was some remediation within
23 the building during the demolition phase because
24 there was still -- it was basically a forest of

1 power generation equipment from the facility. So
2 the first step was demolishing -- or, removing all
3 of that equipment and abating any contaminants that
4 may have been remnants.

5 ALDERMAN AUSTIN: Okay. So from US EPA, you
6 got certificates for that?

7 MR. SMITH: Yeah.

8 ALDERMAN AUSTIN: For remediation?

9 MR. SMITH: Yeah. They're in compliance with
10 all the environmental requirements.

11 ALDERMAN AUSTIN: And what was the cost?

12 MR. SMITH: The cost of the cleanup itself?

13 ALDERMAN AUSTIN: Um-hmm.

14 MR. SMITH: I don't know that off the top of
15 my head. I can certainly dig that up.

16 ALDERMAN AUSTIN: Please.

17 MR. SMITH: Sure. So just a couple shots
18 here. This is the -- on the left, that's the back
19 of the building. They had to build an extensive
20 fire escape system to meet CPS standards, so
21 basically adding this new superstructure outside of
22 the building in the rear. But they've done it in a
23 very attractive fashion, so it's quite an amenity
24 for the building.

1 In the middle, that's one of the
2 classroom spaces. All the interior rooms are very
3 unique because the building is -- it's a power
4 plant, so it's an interesting reuse of that
5 structure. So they're actually incorporating the
6 old legacy pieces in the building as an educational
7 tool.

8 There's still some coal conveyor
9 equipment, and the big chimney is still on the
10 building, so they use that as part of the curriculum
11 to instruct on energy production then and now as
12 well as some architectural curriculum.

13 ALDERMAN AUSTIN: So how did they incorporate
14 that part into the class structure?

15 MR. SMITH: You know, they've done it a couple
16 different ways. I think they tour the building, and
17 then they look at the old equipment and describe how
18 it was used. And then they are focusing on energy
19 production in their current curriculum as well as
20 newer technology and sort of contrasting the two
21 technologies, using that as a jumping off point to
22 talk about coal as the less clean energy source
23 versus newer sources.

24 ALDERMAN AUSTIN: The reason why I'm asking

1 is because, you know, I have a solar energy power
2 plant out by us, and I'm trying to see how I can
3 integrate education at my college out there. So
4 I'm trying to see how one can fold into the other
5 or how I can start anew as to folding it into a
6 different energy source.

7 CHAIRPERSON RAGUSO: Alderman --

8 ALDERMAN AUSTIN: Yes.

9 CHAIRPERSON RAGUSO: -- can we ask that the
10 folks, the administrators from the school, maybe
11 come down and visit with you so that they can tell
12 you how they've incorporated it into their curriculum
13 to give you some ideas on how you can implement it?

14 ALDERMAN AUSTIN: Yes, that would be great.
15 Thank you.

16 MR. SMITH: Next up, Imperial Zinc. This one
17 closed in May of 2009, so this is a much smaller
18 deal, \$6 million financing from Chicago Development
19 Fund.

20 So this was a facility that had been
21 operating in the Pullman neighborhood for a long
22 time. It had a large fire in August of 2008 and
23 was at a decision point as to whether they wanted
24 to rebuild in place a larger and higher production

1 capacity or to relocate.

2 So Chicago Development Fund provided
3 6 million of allocation which translated into about
4 a million four of actual subsidy value to the
5 project, and that was enough to make the economics
6 work for Imperial to rebuild with a larger facility.
7 So that preserved 40 jobs and allowed it to add 45
8 jobs when they get up to full production capacity
9 at 103rd next to the Bishop-Ford.

10 They're actually doing quite well in
11 their construction. As you can see, the photograph
12 looks very much like the rendering, probably closer
13 than any other building I've ever seen. It's a
14 simple building, so maybe that's why.

15 The shell is complete. They're
16 painting the shell, and they think they're going to
17 open in February 2010, which is a little bit ahead
18 of schedule.

19 ALDERMAN AUSTIN: And what is it that they
20 provide?

21 MR. SMITH: They process zinc, so they produce
22 zinc anodes and alloys.

23 ALDERMAN AUSTIN: Okay.

24 MR. SMITH: So they'll actually add 55 new

1 positions eventually.

2 And the third transaction -- this
3 closed in early June -- the Christ King College
4 Prep. This was a \$17 million NMTC allocation from
5 Chicago Development Fund, just over 5 million in
6 terms of actual subsidy value to the project. LISC
7 also provided \$14 million of allocation, so a total
8 of 31 million in allocation for this \$35 million
9 deal.

10 This is a 100,000 square foot
11 facility, which actually some of the CDF staff
12 again -- and I'm not sure if the Chair is going to
13 be joining us, but at least a couple CDF staff are
14 going to be touring with the U.S. Treasury rep
15 that's in town today.

16 This is under construction in the
17 Austin community area. It's a -- it's operating on
18 the Cristo Rey model, which has already been
19 implemented in one school in Chicago. For 600
20 students, this would provide internship placements
21 in local businesses which in turn helps to generate
22 the subsidy that deeply subsidizes the students'
23 tuition.

24 Gary Comer College Prep also closed

1 in early June. This is at \$21.5 million NMTC
2 allocation from Chicago Development Fund or about --
3 it was 5.6, 5.7 million or so subsidy value
4 generated by that for the project.

5 This is a new charter high school
6 facility in the Revere neighborhood within the
7 Greater Grand Crossing community. It's a charter
8 school that's going to be operated by Noble Network
9 of Charter Schools, which is one of the premier
10 operators in the city.

11 The building is under construction
12 with an expectation of the students being able to
13 move in for the 2010/2011 academic year, and it
14 will serve 530 students at completion.

15 It's next to the Gary Comer Youth
16 Center, which is an existing facility that the Comer
17 Foundation put in place a couple years ago which
18 provides after-school programming. It provides
19 meals before school and a host of other services,
20 including hosting the South Shore Drill Team, so a
21 very complementary facility here with the high
22 school and a very efficient sharing of facilities.

23 This is part of the Comer
24 Foundation's broader efforts to really transform

1 the Revere community and reverse some of the
2 disinvestments that happened over the last few
3 decades. So this includes investment in the middle
4 school that's a couple blocks away where Gary Comer
5 attended long ago. And he's put about \$7 million
6 into improvements there. Then they still have
7 about 90 to 100 scattered site housing units in the
8 immediate neighborhood as well.

9 The facility is anticipated to get
10 LEED certification at completion. And there was
11 also capital provided by Northern Trust, both
12 traditional bank debt and the New Markets Tax
13 Credits equity.

14 Kind of a coup for Chicago
15 Development Fund because this was Northern Trust's
16 first New Markets Tax Credits transaction, and
17 that's one of the major issues in this arena, that
18 some of the banks that were participating in the
19 program, like Citibank and National City Cap
20 Market, have really pulled back on their investment
21 in the credit due to profitability issues.

22 So finding new players to actually
23 begin investing in the program is important to keep
24 the appetite up for the credits to keep the pricing

1 at a point where it can provide meaningful subsidy
2 to the deals.

3 And then the most recent one to
4 close, really a major combination of different
5 financing programs from every level of government,
6 state, federal and local, this is the Greater West
7 Town project or the Community Career Training &
8 Economic Development Center.

9 This is a 60,000 or so square foot
10 rehab of an old envelope factory at North Sacramento,
11 500 North Sacramento, right near the Chicago Center
12 for Green Technology on the West Side.

13 Greater West Town Community
14 Development project has been in operation for about
15 20 years. It's really a phenomenal organization.
16 They provide adult vocational training in high-tech
17 woodworking as well as in shipping and receiving
18 and logistics.

19 And then they also serve about 150
20 high school students, all of whom have previously
21 dropped out of the CPS system. So it's a charter
22 school for those students providing a normal high
23 school education as well as an added vocational
24 training. And they actually graduate 70 percent of

1 those students, which --

2 ALDERMAN AUSTIN: And who is the -- who is
3 running this facility?

4 MR. SMITH: It's the Greater West Town
5 Community Organization.

6 CHAIRPERSON RAGUSO: Who is the -- who is the
7 high school, though -- who is the principal? I
8 can't remember her name.

9 MR. SMITH: I don't remember off the top of
10 my head.

11 CHAIRPERSON RAGUSO: This was -- for the
12 Board, this was one of the most challenging projects
13 to finance. It had so many different layers in it
14 to get it done, and we did it. And it just goes to
15 show you what it's taking to get projects done these
16 days.

17 But we did it, and they're under
18 construction, and it's going to give folks in this
19 community and folks who otherwise wouldn't have a
20 chance jobs, a second chance at a good career.

21 ALDERMAN AUSTIN: Well, the reason why I'm
22 inquiring, because a facility such as this would
23 work well on the far South Side given the over-
24 crowdedness of all of our schools that the

1 disadvantaged and disenfranchised students that I
2 have.

3 So I need to be able to get in touch
4 with the individual on how we can structure
5 something like this out in the far South because
6 Alderman Beale, myself and Alderman Pope all have
7 industrial areas that have large existing
8 buildings --

9 CHAIRPERSON RAGUSO: If you would like --

10 ALDERMAN AUSTIN: -- that don't have
11 contaminants in them.

12 CHAIRPERSON RAGUSO: -- I would be happy to
13 set up that meeting for you.

14 ALDERMAN AUSTIN: All right. Thank you.

15 MR. SMITH: So this -- the structure for this
16 deal included 3.1 million in TIF assistance from
17 the City which was structured in a very careful way
18 to allow it to serve as a leveraged source for the
19 New Markets Tax Credits transaction, 9.3 million in
20 allocation from Chicago Development Fund, which
21 translated into 2.8 million of subsidy.

22 And then CDF actually then reached
23 out to the State of Illinois Department of Commerce
24 & Economic Opportunity and took advantage of a new

1 program that was created this year called the
2 Illinois State New Markets Tax Credit Program.

3 That's essentially a parallel program
4 to the federal, and the state is -- just began
5 rolling it out in April of this year. So they
6 provided also 9.3 million of state allocation which
7 provided another million three or so of benefit to
8 the project.

9 So by layering these sources
10 together and then also maxing out Greater West
11 Town's available capital for the project and their
12 borrowing capacity with Harris Bank, the deal was
13 able to get done.

14 MR. SAFFOLD: How much was their bank loan?

15 MR. SMITH: Two and a half million tied to
16 project cash flow and then 2.1 tied to TIF from
17 Harris.

18 MR. SAFFOLD: What's their cash flow then?
19 I'm just curious in terms of are there grant monies,
20 or do they have a revenue stream?

21 MR. SMITH: Yeah, they have -- they get a
22 staple of grants from state, federal and local
23 sources, and they provided a very strong operating
24 history of being able to maintain those grants as

1 well as some philanthropic contributions. So the
2 underwriting really focused heavily on that track
3 record, and you know, if you lose this source, can
4 you replace it with another source, that sort of
5 thing.

6 So an update on Muntu Performing
7 Arts Center which is a transaction that first came
8 before this body a long time ago. I believe it was
9 the fall of 2008. So this is a 40,000 square foot
10 facility proposed in the Kenwood community area on
11 Greenwood.

12 So that one got very close to
13 closing, but it got tied up in credit crunch issues.
14 Seaway Bank, which was one of the participating
15 lenders in the deal, decided at the eleventh hour
16 that they were not able to participate, and that
17 effectively put the project on hold.

18 Since that time, Muntu began
19 exploring using an existing facility and doing a
20 renovation project instead of building a new
21 facility. So at this point, it's a project that
22 CDF is supportive of, but the deal would need to be
23 restructured and would need to come before this body
24 again if the transaction was to go forward.

1 TREASURER NEELY: What are they doing with the
2 eyesore that's on the corner?

3 MR. SMITH: The property that the City
4 conveyed them? I don't know. I believe the City
5 is going to have that reconveyed back to the City.

6 CHAIRPERSON RAGUSO: Treasurer Neely, we're
7 still working with them. It's obviously a cash flow
8 issue. The dollars just aren't working. We were
9 excited about this opportunity because we thought
10 it would complete the corner.

11 But we still stay in constant
12 communication with them trying to figure out if
13 there is a way to make it work, and we're also
14 working with the local elected officials to
15 determine if there are any other potential users to
16 renovate the eyesore, as you referred to, that
17 exists today.

18 MR. SMITH: Testa Produce, this again came
19 before the Board at first last fall. This is a
20 local food processor and distribution facility.
21 You probably see their trucks all over town.
22 They're the blue trucks with the gold lettering on
23 them, and they all run on biodiesel, which I found
24 interesting in talking to them.

1 It's a 100,000 square foot facility
2 that would be extremely green, LEED-Platinum. It
3 would be the first food processing and distribution
4 facility in the country that would achieve
5 LEED-Platinum. It's located in the Stockyards
6 Industrial Corridor.

7 U.S. Bank was initially going to be
8 the lender to this project as well as the tax credit
9 investor, and they spent three or four months
10 underwriting Testa's operating history in detail
11 and then looking very carefully at its first and
12 second quarter '09 sales results. And U.S. Bank
13 decided that they could not do a construction loan
14 at this time.

15 However, we've been finding out that
16 U.S. Bank is substantially more conservative than
17 some other lenders in town, so Testa is essentially
18 regrouping and talking to a couple other lenders at
19 this point to see if they can access a similar
20 amount of construction debt from one of them.

21 In particular, they've banked with
22 Harris for a long time, and so Harris is likely to
23 have a better understanding of the operating
24 strength of the company and how to value it for

1 underwriting purposes.

2 So just an illustration of the credit
3 crisis and how it impacts projects. This is a \$20
4 million project that the appraisal for the -- the
5 proposed facility came in at 11 and a half million
6 due to the really distressed real estate market at
7 this point.

8 So it's challenging, but we're still
9 hopeful that that deal can get done in some form,
10 but again, that would probably need to come back to
11 this body since the nature of the capital structure
12 needs to change, and the project cost may change as
13 well.

14 ALDERMAN AUSTIN: So at this time, we're going
15 to put this project on hold?

16 MR. SMITH: Correct. Yeah, yeah.

17 TREASURER NEELY: It was approved, but now
18 it's --

19 MR. SMITH: Right.

20 So just an overall summary of the
21 fourth round allocation. In terms of allocation
22 that has been closed, i.e., legally committed in a
23 binding way to projects, 68.8 million out of CDF's
24 total \$100 million allocation is now closed. That

1 leaves 31.2 million. So to date the closed projects
2 include four community facilities and one industrial
3 project.

4 So based on these closings that
5 happened since the last meeting, CDF met two
6 deadlines. One was a mid June deadline which would
7 allow CDF to compete for allocation in this 2009
8 round. And actually we're expected to hear news on
9 that very shortly.

10 TREASURER NEELY: What did we ask for again?

11 MR. SMITH: We asked for 125. You never get
12 what you ask for, though. So next week is the
13 expected date to hear more about that.

14 And then CDF also met a deadline in
15 its allocation agreement to have 60 percent of its
16 allocations closed by the end of September 2009.

17 TREASURER NEELY: Chair, can you send an
18 e-mail out to the body so that we know what our
19 allocation is?

20 CHAIRPERSON RAGUSO: When we get it,
21 absolutely.

22 MR. SMITH: There are a number of projects
23 still in CDF's pipeline. Whether they can take
24 advantage of this allocation, the remaining 31.2

1 million, or potential future allocations is based
2 on what CDF foresees and what the timing of these
3 projects is.

4 But -- so we have five projects in
5 what we call the intake phase where we're having
6 discussions upfront before they file an application,
7 helping them understand how New Markets Tax Credits
8 could work with their projects and advising them on
9 how to fill out the application; nine projects that
10 have submitted applications that are pending,
11 essentially waiting for evidence that the
12 transactions are more ready to move forward; and
13 then these two, Testa and Muntu, that are in the
14 restructuring phase.

15 So a total of 16 projects in our
16 pipeline, and we continue to get inquiries that --
17 for new projects of various sorts. In terms of
18 what types of projects those are, nine of those are
19 community facilities, three are industrial, and
20 then four are grocery anchor projects.

21 CDF is very excited about the
22 prospect of getting a grocery deal done since that's
23 the third mission component that so far we haven't
24 been able to close anything in.

1 Overall continued high demand for
2 the allocation. 209 million of total requested
3 allocation among these various prospects I
4 mentioned. The submitted applications within that
5 group represent 126 million, so over a 4-to-1 demand
6 for the remaining credits. So it's really a
7 function of who's ready and who can get the most
8 benefit from New Markets Tax Credits within that
9 time frame.

10 So just some examples of some of
11 these potential projects. Aldi is looking at doing
12 a couple new store facilities in the city. One
13 would be a replacement of an older existing store
14 at 63rd and Wallace with a new prototype that's up
15 to the street. It's a lot more attractive.

16 They would also look to do a second
17 store as part of the same financing at 83rd and
18 Stewart. So they submitted an application looking
19 to try to get 7 million of NMTC allocation involved
20 in that transaction.

21 TREASURER NEELY: Is 63rd and Wallace
22 considered a grocery desert?

23 MR. SMITH: It is, yeah.

24 CHAIRPERSON RAGUSO: Treasurer, all of our

1 targets for these allocations are in the identified
2 food deserts.

3 MR. SMITH: So we're currently working with
4 Northern Trust and trying to put something together
5 to bring back before this body in a subsequent
6 meeting with that.

7 Ultra Foods is also another prospect.
8 There's a site at 63rd and Halsted -- there's a
9 proposal on the table -- to do a grocery-anchored
10 shopping center that includes that as the anchor,
11 60,000 square foot full-line Ultra Foods.

12 So these are in the orbit of Kennedy-
13 King College and the new recent investments the
14 City's made, so part of an overall -- sort of a
15 secondary strategy of CDF's to concentrate
16 investments really to try to make a heavier impact
17 in key zones in the city that need it.

18 Then Finkl Steel, a major producer
19 of certain specialty steel projects. They've been
20 in Lincoln Park for a very long time, over 100
21 years. They're seeking to move into a much newer,
22 much higher capacity facility, and they're looking
23 at a site on the South Side.

24 This would allow Finkl to remain in

1 Chicago and preserve 300 very high-quality
2 industrial jobs. So CDF is working closely with
3 the City of Chicago and in discussions with Finkl
4 to see if a New Markets Tax Credit transaction can
5 help this along and then also, perhaps, relieve
6 some pressure on other requests for City subsidy
7 to the transaction.

8 MR. SAFFOLD: How much are they looking for?

9 MR. SMITH: We need to chat with them about
10 that.

11 CHAIRPERSON RAGUSO: They're looking for TIF.
12 They're looking for New Market Tax Credits.

13 MR. SAFFOLD: They're looking for grants.

14 CHAIRPERSON RAGUSO: They're looking for
15 grants. They're looking to the State. I mean,
16 again, it's that whole plethora of funding
17 opportunities.

18 MR. SMITH: One concept is that the Chicago
19 Development Fund New Markets Tax Credits'
20 participation could replace the existing utility
21 tax flow that they're paying at their Lincoln Park
22 facility, and so that could stay in the City budget,
23 and then only the incremental could be pledged, and
24 then New Markets could make up the difference.

1 We would also hope to get other New
2 Markets allocatees to provide credits to the
3 transaction, so perhaps either further reducing
4 City participation or increasing their gap financing
5 with the deal or both.

6 TREASURER NEELY: Any thoughts as to what
7 would go in the existing facility?

8 CHAIRPERSON RAGUSO: As you know, it's in a
9 planned manufacturing district which it's called
10 for manufacturing. They have been in to see
11 Commissioner Patti Scudiero to rezone the property
12 to allow for residential, and from the City's
13 perspective, from a land use perspective, planned
14 manufacturing districts are sacred land for
15 insuring that we preserve our manufacturing base.

16 So there are no prospects right now
17 to go in and utilize Finkl. They're still
18 obviously fighting to change it to residential to
19 allow for retail. So Commissioner Scudiero has
20 opined that it is to remain a planned manufacturing
21 district, and the zoning will not change.

22 MR. SMITH: Any further questions?

23 CHAIRPERSON RAGUSO: I would like for the
24 minutes to reflect that we've been joined by the

1 treasurer for the City of Chicago, Stephanie Neely.

2 And so while we're on this, Tony, I
3 would give the floor also to you to discuss with
4 the Board the status of the 2009 allocation with
5 New Markets Tax Credits.

6 MR. SMITH: Right. So this is actually a big
7 week in the New Markets Tax Credits world.
8 Novogradac, which is one of the two major accounting
9 firms in the industry, is having a conference over
10 at the Swissotel yesterday and today. Our Chair
11 gave the keynote address yesterday and showed off
12 some of the same projects we talked about today.
13 It went over really well.

14 And so today we actually have a rep
15 from the CDFI Fund at the U.S. Treasury who is in
16 charge of the allocations to the tax credits and
17 monitoring the program, she's in town, and she's
18 currently at the Homan Powerhouse with U.S. Bank
19 and with CDF staff.

20 And then she's actually coming here
21 to meet with Commissioner Raguso and Bill Eager
22 after this meeting, and then we're going to go tour
23 the Christ the King facility with them.

24 So good timing, and then hopefully

1 next week we'll hear some news about the future
2 allocation. I think that's about it.

3 CHAIRPERSON RAGUSO: I did want to share with
4 the Board, we have an Advisory Board that meets
5 before we come to you who does all the homework
6 before we present to you a package, and we are
7 joined by the chairman of that Board, Rafael Leon.

8 One thing that we suggested at the
9 last Advisory Board meeting was for the Board
10 members to take a tour of the sites that they are
11 putting forth. And these are unbelievable projects
12 in neighborhoods where we desperately need something.
13 And to pull these projects off, it's a great feat.

14 So I don't know if there's any
15 interest from this Board to go tour the facilities
16 that you're approving and that you're making happen.
17 But if that's something you all would be interested
18 in, I would be more than happy to organize a quick
19 tour of these facilities so you could see them.

20 ALDERMAN AUSTIN: Well, I do want to tour the
21 one --

22 CHAIRPERSON RAGUSO: The Homan Powerhouse.

23 ALDERMAN AUSTIN: Yes, that one and the --

24 CHAIRPERSON RAGUSO: Greater West Town

1 Training Center.

2 ALDERMAN AUSTIN: Yes.

3 CHAIRPERSON RAGUSO: Yes, I agree with you.

4 So if there are no further questions or matters of
5 business --

6 ALDERMAN AUSTIN: Oh, I have a question.

7 CHAIRPERSON RAGUSO: Yes, ma'am.

8 ALDERMAN AUSTIN: In regards to, I guess, a
9 question that I asked at a previous meeting -- maybe
10 I received it. I don't recall -- a map or an
11 overlay of projects that we've done throughout the
12 city and with identification, did we ever get that?

13 MR. SMITH: Yes, it's been provided.

14 ALDERMAN AUSTIN: Could I get it again?

15 CHAIRPERSON RAGUSO: We will resend it to you.

16 ALDERMAN AUSTIN: Because I honestly don't
17 remember it.

18 CHAIRPERSON RAGUSO: Absolutely. No problem.
19 Do all the Board members want to see just a
20 physical --

21 TREASURER NEELY: Sure.

22 CHAIRPERSON RAGUSO: Fine. We'll send that
23 out, too.

24 Any other matters? Do I have a

1 motion to adjourn the meeting?

2 MR. SAFFOLD: So moved.

3 CHAIRPERSON RAGUSO: Second?

4 ALDERMAN AUSTIN: Second.

5 CHAIRPERSON RAGUSO: All those in favor?

6 (Chorus of ayes.)

7 The meeting is adjourned. Thank
8 you, Board, for coming.

9 (Which were all the proceedings
10 had.)
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1 STATE OF ILLINOIS)
2) SS:
3 COUNTY OF COOK)

4 I, Shari L. Szerbat, a Certified
5 Shorthand Reporter in and for the County of Cook
6 and State of Illinois, do hereby certify that I
7 reported in shorthand the proceedings of said
8 hearing as appears from my stenographic notes so
9 taken and transcribed under my direction.

10
11 IN WITNESS WHEREOF, I have hereunto set
12 my hand and affixed my seal of office at Chicago,
13 Illinois, this 28th day of October 2009.

14
15
16 

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